

RECORDATION NO. 16696-E FILED

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OF COUNSEL
URBAN A. LESTER

SURFACE TRANSPORTATION BOARD

August 17, 2004

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Re: PRR - L595

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of a Memorandum of Sublease and Assignment, dated August 12, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board/Commission under Recordation Number 16696.

The names and addresses of the parties to the enclosed document are:

Sublessor/ Assignor:	Consolidated Rail Corporation 1000 Howard Boulevard Fourth Floor Mt. Laurel, NJ 08054
Sublessee:	PRR Newco, Inc. 110 Franklin Road, S.E. Roanoke, VA 24042
Guarantor:	Norfolk Southern Railway Company 110 Franklin Road, S.E. Roanoke, VA 24042
[Senior Lessor/ Assignee:	Wilmington Trust Company]

Mr. Vernon A. Williams
August 17, 2004
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A description of the railroad equipment covered by the enclosed document is:

62 tri-level autoracks within the series CR 8567 – CR 8671.

A short summary of the document to appear in the index follows:

Memorandum of Sublease and Assignment

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SUBLEASE AND ASSIGNMENT PRR-L595, by

CONSOLIDATED RAIL CORPORATION ("Conrail")
1000 Howard Boulevard, Fourth Floor
Mt. Laurel, New Jersey 08054

PRR NEWCO, INC. (the "Company")
110 Franklin Road, S.E.
Roanoke, Virginia 24042

and

NORFOLK SOUTHERN RAILWAY COMPANY (the "Railroad")
110 Franklin Road, S.E.
Roanoke, Virginia 24042

Conrail is leasing certain units of railroad equipment pursuant to the agreement identified in Schedule A hereto as the "Senior Lease" with the party named in Schedule A hereto as the "Senior Lessor," which agreement was recorded with the Interstate Commerce Commission and assigned the recordation number shown on said Schedule A.

The parties hereto hereby wish to evidence for the public record the following transactions with respect to such units of the railroad equipment covered by the above-named agreements as are listed in Schedule B hereto:

1. The Sublease of Railroad Equipment PRR-L595 between Conrail, sublessor, and the Company, sublessee.
2. The assumption of the obligations of the Company as sublessee under the above-named sublease by the Railroad, pursuant to the Assumption Agreement PRR-L595 by the Railroad in favor of Conrail.
3. The assignment by Conrail, assignor, of the sublease named in item 1 to the Senior Lessor, assignee, as security for Conrail's obligations under the Senior Lease, pursuant to the Assignment of Sublease PRR-L595 by Conrail in favor of the Senior Lessor.
4. The assignment by the Railroad, assignor, of its subleasehold interest under sublease named in item 1 to CSX Transportation, Inc., assignee, pursuant to the Cross-Assignment of Lease and Agreement among such parties and Conrail, as security for the Railroad's obligations for reimbursement thereunder.

IN WITNESS WHEREOF, the parties hereto have each caused
this memorandum to be duly executed by their respective officers
thereunto duly authorized:

CONSOLIDATED RAIL CORPORATION

by ..*Joseph Rags*.....

PRR NEWCO, INC

by ..*William F. Rags*..

NORFOLK SOUTHERN RAILWAY COMPANY

by ..*William F. Rags*...

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS.:)

On this 12 day of August, 2004, before me personally appeared ~~James P. ...~~, to me personally known, who, by me being duly sworn, says that he is ~~CEO & President~~ of CONSOLIDATED RAIL CORPORATION, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

SYLVIA MARQUEZ
NOTARY PUBLIC, State of New York
No. 01MA497206S

Qualified in New York County

My commission expires

Notary Public

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS.:)

On this 12 day of August, 2004, before me personally appeared William J. Romig, to me personally known, who, by me being duly sworn, says that he is Vice President and Treasurer of NEWCO, INC., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My commission expires

STATE OF NEW YORK)

COUNTY OF NEW YORK)

SS.:)

On this 12 day of August, 2004, before me personally appeared ~~...~~, to me personally known, who, by me being duly sworn, says that he is ~~...~~ of NORFOLK SOUTHERN RAILWAY COMPANY, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My commission expires

Notary Public

RICHARD CROSBY THOMPSON
NOTARY PUBLIC, State of New York
No. 01TH6062508
Qualified in New York County
Commission Expires Aug. 6, 2005

RICHARD CROSBY THOMPSON
NOTARY PUBLIC, State of New York
No. 01TH6062508
Qualified in New York County
Commission Expires Aug. 6, 2005

SCHEDULE A
SENIOR TRANSACTION L595

Senior Lease:

Lease of Railroad Equipment dated as of December 19, 1989, and supplements thereto, as amended, between Consolidated Rail Corporation and Pitney Bowes Credit Corporation (succeeded by PBG Capital Partners LLC, and further succeeded by Wilmington Trust Company, not in its individual capacity but solely as Owner Trustee).

Recorded with the Interstate Commerce Commission on December 19, 1989, and assigned recordation number 16696.

Senior Lessor:

Wilmington Trust Company, not in its individual capacity but solely as Owner Trustee

Schedule "B" Equipment

Lease L595 (PRR))

Count	Initial	Car Number	Rack Numbers
TRI LEVEL AUTO RACKS			
1	ETTX	800199	8567
2	ETTX	810192	8569
3	ETTX	908664	8570
4	ETTX	908695	8573
5	ETTX	909789	8574
6	ETTX	903514	8575
7	ETTX	909805	8577
8	ETTX	909804	8578
9	ETTX	801641	8581
10	ETTX	901223	8586
11	ETTX	908673	8587
12	ETTX	901656	8588
13	ETTX	905147	8589
14	ETTX	810052	8591
15	ETTX	905675	8593
16	ETTX	909807	8596
17	ETTX	909806	8599
18	ETTX	802732	8600
19	ETTX	905495	8602
20	ETTX	900770	8603
21	ETTX	908649	8605
22	ETTX	900738	8606
23	ETTX	909809	8607
24	ETTX	802339	8608
25	ETTX	902134	8609
26	ETTX	909802	8612
27	ETTX	909799	8614
28	ETTX	909528	8618
29	ETTX	909810	8619
30	ETTX	908778	8620
31	ETTX	800858	8621
32	ETTX	905500	8623
33	ETTX	908231	8624
34	ETTX	909812	8629
35	ETTX	802755	8631
36	ETTX	909408	8633
37	ETTX	909813	8634
38	ETTX	801248	8635
39	ETTX	909196	8638
40	ETTX	907239	8639
41	ETTX	802709	8640
42	ETTX	909401	8641
43	ETTX	802760	8642

44	ETTX	802783	8643
45	ETTX	907805	8644
46	ETTX	905740	8646
47	ETTX	905241	8648
48	ETTX	801636	8649
49	ETTX	802788	8650
50	ETTX	800339	8651
51	ETTX	909808	8654
52	ETTX	801604	8655
53	ETTX	908396	8656
54	ETTX	901232	8657
55	ETTX	908790	8661
56	ETTX	810143	8662
57	ETTX	801781	8666
58	ETTX	908366	8667
59	ETTX	907643	8668
60	ETTX	802798	8669
61	ETTX	905568	8670
62	ETTX	810194	8671

62 TRI LEVEL AUTO RACKS